

THE HENDRICKSON COMPANY

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To: Housing Finance Authority of Leon County Board of Directors
From: Mark Hendrickson, Administrator
Subject: November 14, 2019 Board Meeting
Date: November 5, 2019

I. Financial Reports and Budget—Action

1. The October 2019 Financial Statement is attached. Net assets as of October 31, 2019 are \$1,233,479.26, with \$788,669.58 in cash (\$168,465.10 restricted).
2. All Emergency Repair and CDBG expenditures are booked against the restricted assets from the property sales (they meet the test as direct housing expenditures).
 - ✓ Total revenues from property sales: \$285,545.70
 - ✓ Emergency Repair expenditures since August 2016: \$117,080
 - ✓ CDBG rehab: \$12,163
 - ✓ Remaining Restricted Funds: \$168,465.10
3. An Expenditure Approval list and bank/SBA statements are attached.
4. In October, the semi-annual payments from Escambia HFA were received. The loan fees were \$1,937.21 and the repayment of DPA loans funded by FHFC were \$21,240.38. Of note, the HFA negotiated with Escambia to receive 50% of the loan repayments of FHFC funded DPA loans made in Leon County. The \$21,240.38 is not income, but a transfer from non-liquid to liquid assets.
5. A repayment of an old HFA of Leon County DPA loan (\$4,790) was received in October and will be reflected next month. As a reminder, that is not income, but a transfer from non-liquid to liquid assets.
6. **Recommendations: None**
 - Accept Financial Statements
 - Approve expenditures detailed on Expenditure Approval list.

II. Tallahassee Lending Consortium (TLC) and Community Land Trust-- Informational

1. TLC has made a request for funding from the HFA (attached). Funding requests include a \$200,000 construction line of credit for homes to be built on CLT properties and \$100,000 over two years for administrative support (loan).
2. Staff asked TLC to be available at the HFA's December meeting, if the Board wishes to consider the requests.
3. **Recommendation:** Discuss request and give staff direction for follow-up analysis.

III. Multi-Family Bond Application: Magnolia Terrace—Informational

1. An application for bond financing for the acquisition and rehabilitation of Magnolia Terrace was received and approved to move through the HFA process. The development was induced and will proceed through credit underwriting. TEFRA approval was obtained on May 28, and the allocation has been received (\$13,000,000).
2. The credit underwriting report is nearing completion, and the deal should close this year.
3. **Recommendation:** None.

Name	Magnolia Terrace
Owner Entity*	LIH Magnolia Terrace, LP
Developer/Location	Levy Affiliated Holdings Santa Monica, CA 90401
Type	Acquisition and Rehabilitation Garden
Street Address	509 East Magnolia Dr, Tallahassee, FL 32301
County Commission District	District 1, Bill Proctor
Units	108
Bedrooms	232
# of Buildings	17, 15 residential, 1 community room, and 1 office/laundry
# of Stories	2
Bond Request	\$13,000,000 \$120,370/unit
TEFRA Approval	5-28-19
Total Cost	\$20,178,702
Cost Per Unit	\$186,840
Land Cost	\$720,000 \$6,666//unit
Acquisition of Building Cost	\$8,280,000 \$76,667/unit
Hard Construction Cost	\$5,352,925 \$49,564/unit
General Contractor	Wilshire Pacific Builders, LLC
Credit Enhancement	TBD
Set-Aside Period	30 years: HFA requires 50 years
Set-Aside Levels	40% of the 108 units <60AMI—Tax Credits 100% <60% AMI

IV. Emergency Repair Program—Informational

1. The HFA authorized an emergency repair program, for minor repairs that need immediate attention—and are not covered by the County’s SHIP Program. A total of \$50,000 has been committed for FY 19-20. Individual repairs are limited to \$1,650 per home (\$7,500 for senior or persons with special needs that reside in mobile homes).

2. Of the FY 19-20 allocation, \$8,720 has been reserved.
3. **Recommendation:** None.

V. Real Estate—Informational

1. The Real Estate Division is responsible for selling surplus properties designated for affordable housing, with proceeds of the sale coming to the HFA.
2. Sales of seven properties by the Real Estate Division generated total revenues to the HFA of \$107,102. As of August 28, 2019, sales of 26 properties by Ketcham Realty have generated \$158,043 to the HFA. The new total is now \$285,545.70.

Property	Sales Price	Ketcham Fee	HFA	Deposit
1506 Crown Ridge Road	\$ 8,100.00	\$ 1,500.00	\$ 6,600.00	5/10/2019
2997 Lilly Road	\$ 8,100.00	\$ 1,500.00	\$ 6,600.00	5/10/2019
4060 Morgan Road	\$ 7,000.00	\$ 1,500.00	\$ 5,500.00	5/10/2019
4037 Bishop Road	\$ 8,000.00	\$ 1,500.00	\$ 6,500.00	5/10/2019
4033 Bishop Road	\$ 8,000.00	\$ 1,500.00	\$ 6,500.00	5/10/2019
4043 Buster Road	\$ 8,000.00	\$ 1,500.00	\$ 6,500.00	5/10/2019
2575 Tiny Leaf Road	\$ 4,000.00	\$ 1,000.00	\$ 3,000.00	5/17/2019
1209 Southern Street	\$ 3,000.00	\$ -	\$ 3,000.00	5/17/2019
4065 Morgan Road	\$ 7,000.00	\$ 123.00	\$ 6,877.00	6/5/2019
Monday Road	\$ 15,000.00	\$ 179.00	\$ 14,821.00	6/5/2019
12513 Forest Acres Trail	\$ 9,500.00	\$ -	\$ 9,500.00	6/5/2019
2993 Lilly Road	\$ 8,100.00	\$ 1,500.00	\$ 6,600.00	6/13/2019
714 Stafford Street	\$ 15,000.00	\$ 55.00	\$ 14,945.00	6/28/2019
2123 Flipper Street	\$ 4,000.00	\$ 1,500.00	\$ 2,500.00	7/26/2019
Lilly Road	\$ 7,000.00	\$ 123.00	\$ 6,877.00	7/26/2019
Craft Street	\$ 6,000.00	\$ 116.00	\$ 5,884.00	7/26/2019
3529 Sunburst Loop	\$ 4,000.00	\$ 102.00	\$ 3,898.00	7/26/2019
Moore Woods Rd	\$ 7,000.00	\$ 122.00	\$ 6,878.00	7/26/2019
7322 Poplar Drive	\$ 9,000.00	\$ 1,817.00	\$ 7,183.00	8/13/2019
1017 Dover Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
Abraham Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
1118 Clay Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
Calloway Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
Delaware Street	\$ 6,000.00	\$ 1,500.00	\$ 4,500.00	8/28/2019
2277 Saxon Street	\$ 2,500.00	\$ 1,000.00	\$ 1,500.00	10/10/2019
10715 Tebo Trail	\$ 20,000.00	\$ 1,099.30	\$ 18,900.70	TBD
TOTAL	\$ 145,800.00	\$ 15,637.00	\$ 178,443.70	

3. **Recommendation:** None.

VI. Legal Update—Informational

1. HFA Counsel will report on their activities.
2. **Recommendation:** None.

VII. Lakes at San Marcos Quarterly Occupancy Report—Informational

1. The Board requested that the reports be shared quarterly. The latest report is attached.
2. The development is 96% occupied, up 4% this year.
3. **Recommendation:** None.

VIII. To-Do List—Informational

To-Do Item	HFA	Admin	CAO	SL	NBN	Status	Completed
August 2018							
The Board directed the Administrator to research who is buying the properties that have been sold.		X				Not completed	

IX. State Legislative Update—Informational

1. The 2020 legislative session begins in January, with committee meetings beginning in September.
2. The focus will be on maintaining support for full funding from the Governor and Senate, and attempting to move the House to the same position.
3. The P5 Group and Bascom Communications have been retained.
4. Based upon the August 2019 Revenue Estimate, \$350.77 million will be available from the Housing Trust Funds for FY 20-21 appropriations. SHIP is \$245.8 million and FHFC Programs (SAIL) \$104.97 million.
5. The full-funding SHIP distribution by County/City has been generated and is attached. With full funding, \$3,493,730 would come to Tallahassee-Leon County, with the County receiving \$1,194,506 and the City of Tallahassee \$2,299,224.
6. The legislator one-pagers are available at www.sadowskicoalition.com
A copy is in the Board Packet.
7. **Recommendations:** Meet with legislators.